Proposed Municipal Services Review and Sphere of Influence Review for the City of Mission Viejo (MSR 05-24 and SOI 05-25)

City of Mission Viejo

BACKGROUND

The attached report includes the Municipal Service Review (MSR) and Sphere of Influence (SOI) update for the City of Mission Viejo. LAFCOs are required by statute (Government Code Section 56430) to conduct MSRs as a way to assist agencies and residents by: (1) evaluating existing municipal services, and (2) identifying any future constraints or challenges that may impact service delivery in the next 15 to 20 years.

LAFCOs are also required to complete Sphere of Influence (SOI) reviews in conjunction with Municipal Service Reviews for each city and special district at least once every five years. SOIs identify a city's ultimate service boundary within a 15-year time horizon. An SOI is used as a long range planning tool that guides future LAFCO decisions on individual jurisdictional boundary changes, incorporation proposals, district formation, and proposals for consolidation, merger, or formation of subsidiary districts.

MUNICIPAL SERVICE REVIEW (MSR)

No significant service related issues were identified for the City of Mission Viejo. Staff recommends that the Commission receive and file the MSR report ³ and adopt the nine MSR determinations (Attachment A).

SPHERE OF INFLUENCE (SOI)

The City of Mission Viejo incorporated in 1988. The City is bounded by Interstate-5 and the City of Laguna Hills to the west, the City of Lake Forest to the north and the Rancho Mission Viejo development (unincorporated area) and O'Neill Regional Park to the south.

The City of Mission Viejo was originally part of the Mission Viejo Company land holdings. Development approvals were received in 1965 and a County Service Area (CSA) was formed to facilitate the provision of services by the County of Orange. By 1974 a Municipal Advisory Council was formed which then voted to replace the CSA with a Community Services District (CSD) in 1986. In 1987 the CSD initiated incorporation proceedings and the City of Mission Viejo became a city in 1988.

In 1988 the new City of Mission Viejo filed an application requesting inclusion in its SOI of the Aegean Hills development, located to the west of the City and the then developing community of Las Flores to the east. Homeowners, proponents for the proposed Saddleback incorporation and the Rancho Mission Viejo Company opposed the request. LAFCO denied the request for inclusion of the Aegean Hills development and continued the request for annexation of the Rancho Mission Viejo land due to a competing SOI application from the City of San Juan Capistrano. Ultimately both cities withdrew their requests as part of an agreement to work jointly with each other and the Mission Viejo Company. LAFCO subsequently approved a coterminous SOI for the City of Mission Viejo. The only change in the City of Mission Viejo's

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³ Under separate cover

SOI occurred in 1992 with an amendment of the SOI to permit the subsequent annexation of the Aegean Hills development.

The City of Mission Viejo's sphere of influence is currently coterminous with the city boundaries. A 1999 LAFCO SOI update looked at inclusion of the unincorporated communities of Las Flores and Ladera Ranch in the City of Mission Viejo's SOI. Ladera Ranch is a 2,390-acre planned community with a projected build-out of 8,100 residential units and a population of 22,000 in 2009. Las Flores is a 1,005-acre planned residential community of approximately 2,500 dwelling units and a population of 4,336 located near the Cities of Mission Viejo and Rancho Santa Margarita with transportation access to and from both cities. Following the 1999 LAFCO study, the City initiated its own review of its sphere of influence and completed a fiscal impact study of annexing the Las Flores and Ladera Ranch communities.

LAFCO had previously considered inclusion of both Las Flores and Ladera in the Rancho Santa Margarita incorporation or the new city's sphere but that was opposed by incorporation opponents and residents. The 1999 LAFCO SOI update study also examined the inclusion of Ladera in the SOI for the City of San Juan Capistrano. However the San Juan Capistrano City Council did not express any intent or desire to expand its current sphere at that time while the City of Mission Viejo adopted a resolution stating their intent to seek a sphere amendment to include Ladera and Las Flores.

The fiscal impact study of annexing Ladera Ranch prepared by the City of Mission Viejo showed enough of a surplus in revenues to mitigate any future deficits the City might potentially incur. While the study showed a negative impact to the City from annexing Las Flores, it also showed an overall fiscal benefit (but starting in the 40th and 42nd year after annexation) if the City annexed both Las Flores and Ladera Ranch.

During the stakeholder working group process, the City of Mission Viejo representative cited the fiscal disincentives to annexation of developed residential areas and further noted that its City Council is governed by the passage of Measure A which requires approval by a majority of voters of the City of Mission Viejo before its City Council can initiate or support any annexation in excess of 100 acres. Without a current fiscal analysis of existing revenues and service costs, the city noted that it could not accurately assess the cost of annexation which was an important consideration for its current residents and City Council. Therefore no change to the City of Mission Viejo's sphere of influence is recommended at this time.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

LAFCO is the lead agency under CEQA for municipal service reviews. Staff recommends that the Commission consider municipal service review determinations exempt from CEQA under CEQA Guidelines §15262, Feasibility and Planning Studies. (Attachment B, Notice of Exemption.)

LAFCO is also the lead agency under CEQA for sphere of influence reviews. Staff completed an initial study and determined that adoption of a SOI for the City of Mission Viejo would not have a significant effect on the environment. A Draft Negative Declaration (Attachment C) was

prepared and noticed in accordance with CEQA. Comments on the Draft Negative Declaration were received from the City of Mission Viejo and a response prepared.

Additionally, staff recommends that the Commission certify that, based upon the Notice of Exemption and the Negative Declaration, the Municipal Service Review and Sphere of Influence Update will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code, and direct staff to file a de minimus statement with California Wildlife, Fish and Game (Attachment D).

RECOMMENDATIONS

Staff recommends that the Commission:

- Receive and file the Municipal Service Review for the City of Mission Viejo.
- Adopt the resolution for the City of Mission Viejo's MSR with the required determinations (Attachment A).
- Find the MSR exempt under CEQA (§15262) (Attachment B)
- Adopt the Draft Negative Declaration (Attachment C) for the proposed SOI update.
- Certify the De Minimus Impact Finding Statement for the California Wildlife, Fish and Game Department (Attachment D).
- Adopt the resolution (Attachment E) for the City of Mission Viejo SOI reaffirming the current SOI and as shown on Exhibit 1.

MSR 05-24

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF ORANGE COUNTY, CALIFORNIA ADOPTING DETERMINATIONS AND RECEIVING AND FILING THE MUNICIPAL SERVIEW REVIEW FOR THE CITY OF MISSION VIEJO February 8, 2006

On motion of Commissioner , duly seconded and carried, the following resolution was adopted:

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission ("LAFCO") adopt Spheres of Influence for all agencies in its jurisdiction and to update those spheres every five years; and

WHEREAS, the Sphere of Influence is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, proceedings for adoption, update and amendment of a Sphere of Influence are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act, Section 56000 et seq. of the Government Code; and

WHEREAS, California Government Code Section 56430 requires that in order to prepare and to update Spheres of Influence the Commission shall conduct Municipal Service Reviews prior to or in conjunction with action to update or adopt a sphere of influence; and

WHEREAS, the Orange County LAFCO staff has prepared a report for the Municipal Service Review (MSR 05-24) and an accompanying Sphere of Influence update for the City of Mission Viejo (SOI 05-25), and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the report for the Municipal Service Review for the City of Mission Viejo (MSR 05-24) contains statements of determination as required by California Government Code Section 56430 for the municipal services provided by the city; and

Resolution MSR 05-55 Page 1 of 4

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set February 8, 2006 as the hearing date on this Municipal Service Review proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has reviewed this proposal and prepared a report, including her recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the proposal consists of a municipal service review for the City of Mission Viejo; and

WHEREAS, this Commission called for and held a public hearing on the proposal on February 8, 2006, and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56841; and

WHEREAS, pursuant to the California Environmental Quality Act, the municipal service review for the City of Mission Viejo was determined to be exempt from CEQA under State CEQA Guidelines §15262, Feasibility and Planning Studies.

WHEREAS, LAFCO certified that based upon the Notice of Exemption, the municipal service review will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Orange DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Environmental Actions:

a) The municipal service review for the City of Mission Viejo (MSR 05-24) together with the written statement of determination, are determined to be exempt from the California Environmental Quality Act (CEQA) under State CEQA Guidelines §15262, Feasibility and Planning Studies.

Resolution MSR 05-24 Page 2 of 4

- b) The Commission directs the Executive Officer to file a Notices of Exemption as the lead agency under Section 15062.
- c) The municipal service review will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

Section 2. Determinations

- a) The Commission accepts the report for the municipal service review for the City of Mission Viejo (MSR 05-24) as presented to the Commission on February 8, 2006.
- b) The Executive Officer's staff report and recommendation for approval of the municipal service review for the City of Mission Viejo, dated February 8, 2006, are hereby adopted.
- The Commission has adopted the accompanying Statement of
 Determinations for the City of Mission Viejo, shown as "Attachment A-1."
- Section 3. This review is assigned the following distinctive short-form designation: "Municipal Service Review for the City of Mission Viejo" (MSR 05-24).
- Section 4. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.

AYES:
NOES:
STATE OF CALIFORNIA)
) SS.
COUNTY OF ORANGE)

Resolution MSR 05-24 Page 3 of 4

I, , Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 8^{th} day of February, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of February, 2006.

Chair of the Orange County Local Agency Formation Commission

By:	
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Resolution MSR 05-24 Page 4 of 4

SERVICE REVIEW DETERMINATIONS

1) Growth & Population Projections

The city is projected to experience an increase of approximately 6,500 people over the next 25 years.

2) Infrastructure Needs & Deficiencies

The future growth projected for the city is modest and is not expected to result in significant increases in the demand for additional municipal level services. The City of Mission Viejo reviews infrastructure needs annually through its budget and capital improvement program to ensure that services are provided concurrently with need.

3) Financing Opportunities & Constraints

The impact of the local revenues shift to the State from the City of Mission Viejo resulted in a reduction in city revenues of approximately \$3,000,000 during Fiscal Years 2004-05 and 2005-06. No other significant financing issues were noted.

4) Opportunities for Rate Restructuring

No issues regarding rate restructuring currently apply.

5) Government Structure Options

No significant issues were noted. The City of Mission Viejo is almost entirely surrounded by other cities or permanent open space and its sphere of influence is coterminous with its existing boundaries. Annexation of the unincorporated communities of Ladera Ranch and Las Flores to the City was a government structure option listed in the MSR report. While past city councils once indicated an interest in annexing Ladera Ranch and Las Flores, in 1990 Mission Viejo voters approved Measure A, requiring a vote of residents before the city council initiates or supports any annexation in excess of 100 acres. In addition, the annexation of developed and primarilty residential area almost universally results in negative fiscal impacts to the annexing city. The projected deficit in 1998 for annexation of Ladera Ranch to Mission Viejo ranged from \$13,358 to \$704,393. The cities all noted that while they are not actively seeking annexation of new areas, they would discuss sphere of influence changes and subsequent annexation if approached by residents and if approved by their respective city councils.

6) Local Accountability & Governance

The City of Mission Viejo follows standard processes for accountability to the public. The city council, as the formal governing body, is elected and conducts

regularly scheduled public meetings. The city maintains a website that includes contact information and links to services and local events.

7) Opportunities for Cost Avoidance

The City of Mission Viejo currently contracts with other public agencies and private entities for those services when cost/benefit studies have demonstrated a savings to the city by avoiding overhead, infrastructure, and associated management costs.

8) Opportunities for Management Efficiencies

No significant issues were noted.

9) Opportunities for Shared Facilities

No significant issues were noted.

PRELIMINARY EXEMPTION ASSESSMENT

(Certificate of Determination when attached to Notice of Exemption)

1. Name or description of project:

South County Municipal Services Review and Governance Strategy

2. Project location: (identify street address and/or cross streets or attach a map showing the project site)

The municipal service review and governance strategy study area generally includes the South Orange County area from the northern boundaries of the Cities of Mission Viejo and San Juan Capistrano and sweeping south to the county line. It includes the cities and special districts providing essential services as well as the County of Orange. Three unincorporated communities included in the study area - Coto de Caza/Wagon Wheel, Ladera Ranch, and Las Flores - have matured and are at or near build-out. These communities are not currently within the sphere of influence of any city; the County is the primary municipal service provider.

3. Entity or person undertaking project: (include name of contact person, address, and phone number)

Local Agency Formation Commission (LAFCO) Kim Koeppen, Project Manager 12 Civic Center Plaza, Rm. 235 Santa Ana, CA 92701 (714) 834-2556

4. Staff determinations:

The Commission's staff, having undertaken and completed a preliminary review of this project in accordance with the Commission's "Local Guidelines for Implementing the California Environmental Quality Act (CEQA)," has concluded that this project does not require further environmental

assessi	ient because.	
a.	oxtimes The proposed action does not constitute a project under CEQA.	
b.	The project is a Ministerial Project.	
с.	The project is an Emergency Project.	
d.	oxtimes The project constitutes a feasibility or planning study.	
e.	The project is categorically exempt. (Applicable Exemption Class: Class 6, State CE Guidelines Section 15306)	QA
f.	∑ The project is statutorily exempt. (Applicable Exemption: State Code Sections 2110 21150; Guidelines Sec. 15262)	2,
g.	The project is otherwise exempt on the following basis: State CEQA Guidelines Sect 15061(b)(3).	ion
h.	 The project involves another public agency which constitutes the Lead Agency. (Nar Lead Agency:) 	me of
Date: Febr	uary 1, 2006 Signature: Kim Koeppen, Project Manager Orange County Local Agency Formation Commission	

12 Civic Center Plaza, Room 235 Santa Ana, CA 92701

ATTACHMENT B

NOTICE OF EXEMPTION

	or	Clerk of the Board of Supervisors County Clerk County of: Orange	FROM:	Orange County Local Agency Formation Commission 12 Civic Center Plaza, Room 235 Santa Ana, CA 92701
1.	Project County	Гitle: Municipal Service Reviev	v and Gover	rnance Strategy for South Orange
2.	project s name): South On Juan Cap providin included matured	site (preferably a USGS 15' or 7 The municipal service review/gorange County area from the norther pistrano and sweeping south to the lag essential services as well as the Colon the study area - Coto de Caza/	1/2' topograp overnance streem boundaries e county line. County of Ora 'Wagon Whe e communities	streets or attach a map showing phical map identified by quadrangle rategy study area generally includes the es of the Cities of Mission Viejo and San It includes the cities and special districts ange. Three unincorporated communities el, Ladera Ranch, and Las Flores – have es are not currently within the sphere of pal service provider.
3.	(a) Pı	roject Location City:	(b) Project	Location - County: Orange
4.	Government of Go		s required to about munici	conduct regional studies on future pal services and how local agencies are
5.	Name o Commis	0	ect: Orang	e County Local Agency Formation
6.	Name o		t project: Or	ange County Local Agency Formation
7.	Exempt (a)	status: (Check one) Ministerial project. Not a project. Emergency Project. Categorical Exemption. State Guidelines Section 15306 Declared Emergency.	type and cla	ass number: Class 6, State CEQA

- (f) Statutory Exemption. State Code section number: State Code Section Number: Feasibility or planning studies for possible future actions that the Commission has not approved, adopted, or funded. (Sections 21102, 21150; Guidelines Sec. 15262)
- (g) Other. Explanation: State CEQA Guidelines Section 15061(b)(3).
- 8. Reason why project was exempt: The Commission has determined that the municipal service review/governance strategy is not a "project" within the meaning of the California Environmental Quality Act (CEQA) because conducting a municipal service review/governance strategy does not have any potential to cause an adverse change in the environment. To the extent that it may be so considered, it is exempt from the provisions of CEQA. First, the municipal service review/governance strategy is merely a planning study for possible future actions that have not been approved, adopted or funded, and therefore, conducting a municipal service review/governance strategy is statutorily exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15262.

Second, the municipal service review/governance strategy is Categorically Exempt from CEQA pursuant with Section 15306 of the Guidelines which exempts basis data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. This exemption may be used strictly for information gathering purposes, or as part of a study leading to an action which a public agency (LAFCO) has not yet approved, adopted or funded. The information gathered for the municipal service review/governance strategy will not have an effect upon an environmental resource.

Third, the Commission has determined that the municipal service review/governance strategy is also covered by the general rule of CEQA, Section 15061(b)(3) of the CEQA Guidelines that states that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where is can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The South County municipal service review/governance strategy evaluates the identified cities and districts current operations and does not propose any changes or organization or reorganization. As a result, the municipal service review/governance strategy will not have any impact upon the environment and therefore is not subject to CEQA.

9. Contact Person: Kim Koeppen Telephone: (714) 834-2556

10. Attach Preliminary Exemption Assessment before filing.

Date Received for Filing: February 1, 2006

Joyce Crosthwaite
LAFCO Executive Officer

NOTICE OF INTENT TO ADOPT A NEGATIVE DECLARATION

Notice is hereby given that ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION, LAFCO, has completed an Initial Study of the proposed sphere of influence update for the City of Mission Viejo.

In accordance with the Commission's Guidelines implementing the California Environmental Quality Act. The Initial Study was undertaken for the purpose of deciding whether the project may have a significant effect on the environment. On the basis of such Initial Study, the Local Agency Formation Commission has concluded that the project will not have a significant effect on the environment, and has therefore prepared a Draft Negative Declaration. The Initial Study reflects the independent judgment of the Commission. The project site is not on a list compiled pursuant to Government Code section 65962.5. Copies of the Initial Study and Draft Negative Declaration are on file at the Commission's office, located at 12 Civic Center Plaza, Rm. 235, Santa Ana, CA 92701 and are available for public review. Comments will be received until the close of the public hearing on the item at the Local Agency Formation Commission meeting on February 8, 2006. Any person wishing to comment on this matter may submit written comments to the Commission prior to the public hearing, or may present oral comments in support or opposition at the time of the hearing. Comments from responsible agencies are encouraged.

At its meeting on Wednesday, February 8, 2006 at 9:00 am at 10 Civic Center Plaza, Santa Ana, CA 92701, the Local Agency Formation Commission will consider the sphere of influence review and update of the City of Mission Viejo and respective Draft Negative Declaration. If the Commission finds that the project will not have a significant effect on the environment, it may adopt the Negative Declaration and proceed with consideration of the above-project without the preparation of an Environmental Impact Report.

Please note, available legal remedies may be limited to only those issues raised at the public hearing described in this notice, or in written correspondence delivered to the Commission at, or prior to, the public hearing.

Date Received for Filing: January 3, 2006

Joyce Crosthwaite Executive Officer Orange County LAFCO 1. Project Title: City of Mission Viejo Sphere of Influence Update

2. Lead Agency Name and Address:

Orange County LAFCO 12 Civic Center Plaza, Room 235 Santa Ana, CA 92701

- 3. Contact Person and Phone Number: Kim Koeppen, Project Manager, (714) 834-2556
- 4. Project Location: The City of Mission Viejo is generally bound to the north by the City of Lake Forest and the Portola Hills development; to the south by the City of San Juan Capistrano; to the west by I-5 and the City of Laguna Hills; and to the east by Rancho Santa Margarita and unincorporated area including Las Flores, Ladera Ranch, and Rancho Mission Viejo. The city's sphere of influence is currently coterminous with the city boundaries.
- 5. Project Sponsor's Name and Address:

Orange County LAFCO

12 Civic Center Plaza, Room 235

Santa Ana, CA 92701

6. General Plan Designation: Residential, Commercial, Office / Professional, Business Park,

Community Facility, Recreation / Open Space, Commercial

Intensive Overlay, Mixed-Use

7. Zoning: RPD 3.5 (Residential Planned Development) Zone

RPD 6.5 (Residential Planned Development) Zone RPD 14 (Residential Planned Development) Zone

RPD 30 (Residential Planned Development) Zone

CC (Commercial Community) Zone

CH (Commercial Highway) Zone

CI (Commercial Intensive) Height Overlay Zone

CR (Commercial Regional) Zone

OP (Office / Professional) Zone

SH (Senior Housing) Overlay Zone BP (Business Park / Industrial) Zone

OS (Open Space) Zone

R (Recreation) Zone

CF (Community Facilities) Zone AB (Adult Business) Overlay Zone

8. Description of Project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheet(s) if necessary.)

Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the proposed update of the City of Mission Viejo's sphere of influence. The proposed sphere of influence update would reaffirm the city's existing sphere of influence which is coterminous with the existing city corporate boundary. The negative declaration confirms the findings of the associated initial study that the proposed project (the City of Mission Viejo sphere of influence update) will not have a significant effect on the environment.

In accordance with Government Code Section 56425 and the LAFCO Sphere of Influence Policy, LAFCO is required to review an agency's sphere of influence every five years in conjunction with conducting municipal service reviews. LAFCO is required to establish a sphere of influence to identify probable future boundaries and service areas of all cities and special districts.

LAFCO is recommending that the existing City of Mission Viejo sphere of influence be reaffirmed at this time.

9. Surrounding Land Uses and Setting:

The City of Mission Viejo was incorporated on March 31, 1988. The city is surrounded by residential, business/commercial, open space and other uses within the cities of Lake Forest, Laguna Hills, Laguna Niguel, San Juan Capistrano and Rancho Santa Margarita, unincorporated inhabited communities of Las Flores and Ladera Ranch and uninhabited county territory referred to as Rancho Mission Viejo lands. The city's sphere of influence is currently coterminous with the city boundaries.

 Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):
 None

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

~	Aesthetics	~	Agriculture Resources	~	Air Quality
~	Biological Resources	~	Cultural Resources	~	Geology / Soils
~	Hazards & Hazardous Materials	~	Hydrology / Water Quality	~	Land Use / Planning
~	Mineral Resources	~	Noise	~	Population / Housing
~	Public Services	~	Recreation	~	Transportation / Traffic
~	Utilities / Service Systems	~	Mandatory Findings of Significance		

DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

- ✓ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ~ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

- I find that the proposed project MAY have a "potentially significant or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ~ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

	<u>January 3, 2006</u>
Signature	Date
Joyce Crosthwaite, Executive Officer	Orange County LAFCO
Printed Name	For

EVALUATION OF ENVIRONMENTAL IMPACTS:

The following is the environmental checklist form presented in Appendix G of the CEQA Guidelines. The checklist form is used to describe the potential environmental impacts of the proposed project with respect to 17 factors prescribed for consideration. For this checklist, the following four designations are used:

- Potentially Significant Impact: An impact that could be significant, and for which no mitigation has been identified. If any potentially significant impacts are identified, an EIR must be prepared.
- Potentially Significant Unless Mitigation Incorporated: An impact that requires mitigation to reduce the impact to a less-than-significant level.
- Less-Than-Significant Impact: Any impact that would not be considered significant under CEQA relative to existing standards.
- No Impact: The project would not have any impact.

	Less Than Significant		
Potentially	With	Less Than	
	~	_	No Impact
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			1
~	~	~	V
			✓
~	~	~	·
~	~	~	\checkmark
			,
~	~	~	✓
	Significant Impact	Potentially With Significant Mitigation Impact Incorporated	Significant Potentially With Less Than Significant Mitigation Significant Impact Incorporated Impact ~ ~ ~ ~ ~ ~ ~

Discussion: The project will not result in any significant direct or cumulative impacts on the aesthetics of the project area. This includes not adversely affecting scenic vistas, damaging scenic resources, degrading visual character, or creating new sources of light.

II. AGRICULTURE RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:

Issues:		Less Than		
155005.	Potentially Significant Impact	Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	~	~	~	√
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	~	~	~	✓
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	~	~	~	✓
Discussion: The proposed project will not cause any specific new developments to be undertaken and will not result in any significant direct or cumulative impacts on the agricultural resources of the project area.				
III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	~	~	~	✓
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	~	~	~	✓
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	~	~	~	✓
d) Expose sensitive receptors to substantial pollutant concentrations?	~	~	~	✓

Issues:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Create objectionable odors affecting a substantial number of people?	~	~	~	✓
Discussion: The project will not result in any significant direct or cumulative impacts on the air quality within the project area. This includes not violating air quality standards or creating objectionable odors.				
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?		~	~	✓
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	~	~	~	✓
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	~	~	~	✓
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	~	~	~	✓
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	~	~	~	✓

Issues:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
V. CULTURAL RESOURCES. Would the project:				
 a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5? 	~	~	~	✓
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	~	~	~	✓
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	~	~	~	✓
d) Disturb any human remains, including those interred outside of formal cemeteries?	~	~	~	✓
Discussion: The project will not result in any significant direct or cumulative impacts on the cultural resources of the project area.				
VI. GEOLOGY AND SOILS Would the project:				
 a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving: 	~	~	~	✓
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	~	~	~	✓
ii) Strong seismic ground shaking?	~	~	~	\checkmark
iii) Seismic-related ground failure, including liquefaction?	~	~	~	✓
iv) Landslides?	~	~	~	\checkmark
b) Result in substantial soil erosion or the loss of topsoil?	~	~	~	✓

Issues:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off- site landslide, lateral spreading, subsidence, liquefaction or collapse?	~	~	~	✓
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	~	~	~	✓
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?		~	~	✓
Discussion: The sphere of influence update will not result in any significant direct or cumulative impacts on the geology or soils of the project area including contributing to soil erosion or exposing individuals or structures to loss, such as injury or death, resulting from earthquakes or landslides.				
VII. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	~	~	~	✓
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	~	~	~	✓
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	~	~	~	✓
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	~	~	~	✓

Issues:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	~	~	~	✓
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	~	~	~	✓
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	~	~	~	✓
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	~	~	~	✓
Discussion: Updating the agency's sphere of influence will not result in any significant direct or cumulative impacts with respect to creating hazards or hazardous materials within the project area.				
VIII. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements?	~	~	~	✓
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	~	~	√	~
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	~	~	~	✓

Issues:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	~	~	~	✓
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	~	~	~	✓
f) Otherwise substantially degrade water quality?	~	~	~	✓
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	~	~	~	✓
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	~	~	~	✓
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	~	~	~	✓
 j) Inundation by seiche, tsunami, or mudflow? Discussion: Adoption of an updated sphere of influence for the City of Mission Viejo will not result in a depletion of groundwater supplies, alteration of existing drainage patterns, creation of runoff water, exposure of people to a significant risk of flooding nor will it result in a net deficit in aquifer volume. IX. LAND USE AND PLANNING. Would the project: 	~	~	~	✓
a) Physically divide an established community?	~	~	~	✓
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	~	~	~	✓

-	-				
	CCI	1	Δ	C	•

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c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

Discussion: The proposed sphere update would reaffirm the City's existing sphere of influence. Updating the agency's sphere of influence will not result in any significant direct or cumulative impacts with respect to land use planning within the project area.

X.MINERAL RESOURCES. Would the project:

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?
- b) Result in the loss of availability of a locallyimportant mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

Discussion:. The project will not result in any significant direct or cumulative impacts on the mineral resources of the project area. This includes not incurring the loss of known valuable mineral resources.

XI. NOISE. Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?
- b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?
- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?
- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

~ ~ ~

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Issues:

- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?
- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

Discussion: The project will not result in any significant direct or cumulative impacts on noise levels within the project area. This includes not exposing individuals to excess groundborne vibrations or substantially increasing ambient noises, whether temporary, periodical, or permanent.

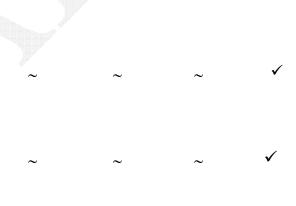
XII. POPULATION AND HOUSING. Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?
- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- b) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

Discussion: A city's sphere of influence identifies the ultimate service area of that city. Updating a sphere of influence has no affect on land use, and will not result in any substantial population growth or displacement of housing or people.

XIII. PUBLIC SERVICES. Would the project:

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
•			\checkmark



1	r	- ~	~ .
	LSSI	ue	S.

Less Than Significant Potentially With Significant Mitigation Impact Incorporated	Less Than Significant Impact	No Impact
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a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

Fire protection?	~	~	~	✓
Police protection?	~	~	~	✓
Schools?	~	~	~	✓
Parks?	~	~	~	✓
Other public facilities?	~	~	~	✓

Discussion: The proposed sphere of influence update will have no significant adverse impacts on government facilities providing fire, police, schools, park or other public facilities. The proposed sphere of influence update reaffirms the existing city SOI which includes the city's corporate boundaries. The proposed sphere update will not result in a change of service providers to the City of Mission Viejo.

XIV. RECREATION. Would the project:

a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

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			•		•

Less Than Significant Potentially Significant Mitigation Impact Incorporated	Less Than Significant Impact	No Impact
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b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?

Discussion: The project will not result in any significant direct or cumulative impacts on recreational services within the project area including increasing the use of existing neighborhood and regional parks.

XV. TRANSPORTATION / TRAFFIC. Would the project:

- a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?
- b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?
- c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?
- d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?
- e) Result in inadequate emergency access?
- f) Result in inadequate parking capacity?

~	~	~	✓
			_
~	~	~	✓

Issues:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	~	~	~	✓
Discussion: The project will not result in any significant direct or cumulative impacts relating to transportation or circulation within the project area. This includes not causing an increase in street or air traffic patterns, creating inadequate emergency access or parking capacity, or conflicting with adopted transportation policies.				
XVI. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	~	~	~	✓
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	~	~	~	✓
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	~	~	~	✓
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	~	~	~	✓

f) Be served by a landfill with sufficient

e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing

commitments?

Issues:

Impact Incorporated Impact	Significant Potentially With Less Than Significant Mitigation Significant Management of Management o
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g) Comply with federal, state, and local statutes and regulations related to solid waste?

Discussion: Three agencies provide water and sewer service to the City of Mission Viejo. The Santa Margarita Water District (SMWD), El Toro Water District (ETWD) and Moulton Niguel Water District (MNWD). The proposed sphere of influence update will have no impact on the ability of the ETWD, MNWD or SMWD to serve existing customers.

XVII. MANDATORY FINDINGS OF SIGNIFICANCE

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat or a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probable future projects.)
- c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Discussion: The project would not result in any significant direct or cumulative impacts relating to mandatory findings of significance within the project area. This includes not degrading the quality of the environment or causing substantial adverse effects on individuals, whether directly or indirectly.

Attachment C

Koeppen, Kim

From: Chuck Wilson [cwilson@cityofmissionviejo.org]

Sent: Wednesday, January 18, 2006 9:38 AM

To: Koeppen, Kim

Cc: Dennis Wilberg; Gail Shiomoto-Lohr

Subject: RE: Notices of Intent & Draft Negative Declarations

Hi Kim,

We have reviewed the draft negative declaration and environmental checklist form. We thought the documentation was in order but offer the following minor comments:

- 1. Item 6 of the Environmental Checklist Form identifies the City's General Plan Designation. Attached is a pdf file excerpt from our Land Use Element of the General Plan for reference. This table identifies all the land use designations of our Land Use Element.
- 2. Item 7 of the Environmental Checklist Form identifies the City's Zoning designations. One zone is missing. The City also has a CN (Commercial Neighborhood) zone which should be inserted between the RPD 30 zone and CC zone in your document.
- 3. Section IV, Biological Resources. The "Discussion" section at the end of this section is missing. Please add this narrative.
- 4. Section VII, Hydrology and Water Quality. Item b) is check marked as "Less Than Significant Impact." We're unsure the rationale on why it was check marked this way instead of "No Impact." Maybe it related to a regional assessment?
- 5. Section XVI, Utilities and Service Systems. Under the "Discussion" section at the end of this section, we feel the last sentence should be revised to read: "The proposed sphere of influence update will have no impact on the ability of the ETWD, MNWD or SMWD to serve existing and planned customers."

We look forward to receiving the MSR / Sphere staff report and attachments in the near future.

Take care.

Chuck Wilson Director of Community Development City of Mission Viejo (949) 470-3024

Comments Noted, See Attached Responses

Response to Comments made by the City of Mission Viejo regarding the draft negative declaration for sphere of influence update.

Comments Noted.

Response to comment #3 regarding missing Discussion under Section IV, Biological Resources:

The discussion section was inadvertently omitted from the draft Negative Declaration. A revised page is attached to the negative declaration.

Response to comment #4 regarding Section VII, Hydrology and Water Quality:

While none of the actions involved in this project will directly impact hydrology or water quality, water resources and water quality are a regional issue and as such, should be addressed comprehensively. Several regional agencies, including the Regional Water Quality Control Board, are addressing the issue.

TABLE LU-3 ANTICIPATED LAND USE AND POPULATION IN THE CITY

LAND USE DESIGNATION	Gross Acres (a)	Dwelling Units	Population	Square Footage (000's) (C)
Residential				
- Residential 3.5	2,217	7,943	24,719	
- Residential 6.5	3,895	18,137	56,442	
- Residential 14	648	4,949	15,401	
- Residential 30	172	3,117	9,700	
Commercial				
- Commercial Neighborhood	67			583.70
- Commercial Community	135			1,176.12
- Commercial Highway	158			1,651.8
- Commercial Regional	-			*,051.0
Commercial Intensive Overlay				· · · · · · · · · · · · · · · · · · ·
- Community Facility	28			487.87
- Commercial Highway	5			487.87 87.12
- Commercial Regional	74			1,289.38
- Office/Professional	47			1,269.36
0.64	 			1,131.17
Office				
- Office/Professional	91	319	993	1,585.58
Industrial				
- Business Park	259			4,061.54
Mixed-Use				
- Com. Neighborhood/ Community	5	(d)		43.55
Facility/Res. 14		(4)		43.33
- Commercial Highway/Office	9(e)		Ī	156.82
Professional				150.02
- Office/Res. 30/Business Park	41		- Andrewsky de	438.71
Other				
- Community Facility	735			6,401.38
- Recreation/Open Space	2,023			5,110.12
- Transportation Corridor	975			5,110.12
Total	11,606	34,465	107,255	24,224.86

Notes

- (a) For purposes of establishing net acreage by category, the gross acreage for residential land uses should be reduced by 25% and nonresidential uses by 20% because Mission Viejo's topography is not flat and has considerable slope area.
- (b) Population is based on State Department of Finance estimate of 3.112 persons per household.
- (c) Square footage for nonresidential categories is based on average FAR for uses represented.
- (d) No Residential development calculated because the only site with this designation is presently developed as commercial neighborhood.
- (e) Also lies within Commercial Intensive Overlay.

(Table LU-3 revised per GPA98-11, GPA98-12, GPA99-13, and GPA2000-17)

REVISED INFORMATION, Sec Issues:	Potentially	Less Than Significant With	Less Than	
	Significant Impact	Mitigation Incorporated	Significant Impact	No Impact
d) Create objectionable odors affecting a substantial number of people?	~	~	~	√
Discussion: The project will not result in any significant direct or cumulative impacts on the air quality within the project area. This includes not violating air quality standards or creating objectionable odors.				
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			~ .	✓
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	~ '	~ ~	~	√
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	~	~	~	✓
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	~	~	~	√
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	~	~	~	✓
Discussion: The project will not result in any significant direct or cumulative impacts on the cultural resources of the project area.	~	~	~	✓

ATTACHMENT D

CERTIFICATE OF FEE EXEMPTION

De Minimus Impact Finding

Project Title/Location (include county): City of Mission Viejo Sphere of Influence Update.

Name and Address of Project Applicant:

Orange County Local Agency Formation Commission (LAFCO) 12 Civic Center Plaza, Room 235 Santa Ana, CA 92701

Project Description: Pursuant to California Code of Regulations, Title 14, Section 15074, the Commission will review and consider the adoption of a negative declaration relating to the proposed update of the City of Mission Viejo's sphere of influence. The proposed sphere of influence update would reaffirm the city's existing sphere of influence which is coterminous with the existing city corporate boundary. The negative declaration confirms the findings of the associated initial study that the proposed project (the City of Mission Viejo sphere of influence update) will not have a significant effect on the environment. In accordance with Government Code Section 56425 and the LAFCO Sphere of Influence Policy, LAFCO is required to review an agency's sphere of influence every five years in conjunction with conducting municipal service reviews. LAFCO is required to establish a sphere of influence to identify probable future boundaries and service areas of all cities and special districts. LAFCO is recommending that the existing City of Mission Viejo sphere of influence be reaffirmed at this time.

Findings of Exemption:

- 1. An Initial Study and Negative Declaration has been prepared by LAFCO to evaluate the project's effects on wildlife resources, if any.
- 2. The Lead Agency hereby finds that there is no evidence before LAFCO that the project will have any potential for adverse effect on the environment.
- 3. The project will not result in any changes to the following resources:
 - (A) Riparian land, rivers, streams, watercourses and wetlands:
 - (B) Native and non-native plant life and the soil required to sustain habitat for fish and wildlife;
 - (C) Rare and unique plant life and ecological communities dependant on plant life;
 - (D) Listed threatened and endangered plants and animals and the habitat in which they are believed to reside:
 - (E) All species listed as protected or identified for special management in the Fish and Game Code, the Public Resources Code, the Water Code or regulations adopted thereunder;
 - (F) All marine and terrestrial species subject to the jurisdiction of the Department of Fish and Game and the ecological communities in which they reside; and
 - (G) All air and water resources, the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

CERTIFICATION:

I hereby certify that LAFCO has made the above finding(s) of fact and based upon the Initial Study, the Negative Declaration and the hearing record, the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

Lead Agency Representative: Joyce Crosthwaite

Title: Executive Officer

Date: February 1, 2006

SOI 05-25

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF ORANGE COUNTY, CALIFORNIA MAKING DETERMINATIONS AND APPROVING THE SPHERE OF INFLUENCE FOR THE CITY OF MISSION VIEJO February 8, 2006

On motion of Commissioner ______, duly seconded and carried, the following resolution was adopted:

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission ("LAFCO") adopt Spheres of Influence for all agencies in its jurisdiction and to update those spheres every five years; and

WHEREAS, the Sphere of Influence is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, proceedings for adoption, update and amendment of a Sphere of Influence are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act, Section 56000 et seq. of the Government Code; and

WHEREAS, California Government Code Section 56430 requires that in order to prepare and to update Spheres of Influence the Commission shall conduct Municipal Service Reviews prior to or in conjunction with action to update or adopt a sphere of influence; and

WHEREAS, the Orange County LAFCO staff has prepared a report for the Municipal Service Review (MSR 05-24), as an accompanying report to the Sphere of Influence update for the City of Mission Viejo (SOI 05-25) and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the report for the Sphere of Influence update for the City of Mission Viejo (SOI 05-25) contains statements of determination as required by California Government Code Section 56430 for the municipal services provided by the city; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set February 8, 2006 as the hearing date on this Sphere of Influence study proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has reviewed this proposal and prepared a report, including her recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the proposal consists of the designation of a sphere of influence for the City of Mission Viejo; and

WHEREAS, this Commission called for and held a public hearing on the proposal on February 8, 2006, and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56841; and

WHEREAS, pursuant to the California Environmental Quality Act, following the completion of an Initial Study, it was determined that the proposed project would not have a significant effect on the environment and a Negative Declaration was prepared; and

WHEREAS, LAFCO certified that based upon the Negative Declaration, the sphere of influence update will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Orange DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Environmental Actions:

a) Following completion of an Initial Study, it was determined that adoption of a sphere of influence for the City of Mission Viejo would not have a significant environmental effect on the environment as determined by the California Environmental Quality Act. Accordingly, a Draft Negative

- Declaration was prepared and noticed in accordance with existing guidelines for implementing CEQA.
- b) The Commission has reviewed the Draft Negative Declaration, and as lead agency, hereby adopts the Negative Declaration for the City of Mission Viejo Sphere of Influence update.
- c) The sphere of influence update will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.
- d) The Commission directs the Executive Officer to file a *de minimus* statement with California Wildlife, Fish and Game.

Section 2. Determinations

- a) The Commission accepts the report for the sphere of influence update for the City of Mission Viejo (SOI 05-25) as presented to the Commission on February 8, 2006.
- b) The Executive Officer's staff report dated February 8, 2006, the recommendation for approval of the sphere of influence update of the City of Mission Viejo, and the Statement of Determinations contained therein, are hereby adopted.
- c) The Commission has reaffirmed the City of Mission Viejo's current sphere of influence as shown on the attached map labeled "Exhibit 1."
- Section 3. This review is assigned the following distinctive short-form designation: "Sphere of Influence Update for the City of Mission Viejo" (SOI 05-25).
- Section 4. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.

AYES:	
NOES:	
STATE OF CALIFORNIA)
) SS
COUNTY OF ORANGE)

I, , Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 8^{th} day of February, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of February, 2006.

Chair of the Orange County
Local Agency Formation Commission
By:
Бу

ATTACHMENT E

Statement of Determinations City of Mission Viejo Sphere of Influence

Present and Planned Land uses for the Area

The City of Mission Viejo is generally fully developed and future population increases will be minimal. The existing City population of 98,197 will increase to 104,706 in year 2030.

Present and Probable Need for Public Facilities and Services

The community of City of Mission Viejo is generally built-out. With such limited projected growth, the extension of infrastructure and services is expected to be minimal. The City of Mission Viejo reviews infrastructure needs annually through its budget and capital improvement program to ensure that services are provided concurrently with need.

<u>Present Capacity of Public Facilities and Adequacy of Public Services</u> In the 2005 Municipal Service Review (MSR) report, no significant infrastructure or service constraints were identified.

Social and Economic Communities of Interest

The City of Mission Viejo is bordered by both the Cities of San Juan Capistrano, Lake Forest, Laguna Hills and Rancho Santa Margarita with the unincorporated communities of Ladera Ranch and Las Flores to the south and no communities of interest generally overlap existing city boundaries. The residents of the two unincorporated communities, residents of surrounding areas have some social and economic ties to the City of Mission Viejo.

